



® BOB KING, President



JULIE KUSHNER
DIRECTOR
REGION 9A UAW
111 SOUTH ROAD
FARMINGTON, CONNECTICUT 06032-2560
PHONE: (860) 674-0143
FAX: (860) 674-1164
PRINTED IN U.S.A.

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INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

DENNIS WILLIAMS, Secretary-Treasurer

February, 22, 2011

To: Senator Doyle, Representative Taborsak and Members of the General Law Committee
From: Beverley Brakeman, United Auto Workers Region 9A
Re: SB 160 AAC THE AVAILABILITY OF AUTOMOBILE DIAGNOSTIC CODES

Good morning my name is Beverley Brakeman. I work for the United Auto Workers Region 9A and am here to present my testimony on behalf of our Director Julie Kushner.

The United Auto Workers (UAW) Region 9A represents over 7,000 active and retired members in Connecticut. On behalf of our members, we strongly oppose Senate Bill 160.

We strongly believe that this bill, if passed, will weaken the auto industry - arguably the largest remaining industrial sector in this country that is actually now creating jobs once again - as well as send more good paying American jobs overseas.

SB160, while not yet drafted, will likely end up similar to proposals in other states, most recently Massachusetts where the proponents of the bill, large aftermarket parts companies like NAPA, Autozone and Midas, spent hundreds of thousands of dollars to convince legislators and the general public that this bill will fix a problem that they couldn't prove existed.

While the intent of this legislation, as written in Massachusetts and other states, appears to be about vehicle repair, it actually contains language that threatens domestic manufacturing engineering jobs because it does not adequately protect proprietary information and trade secrets. Aftermarket parts companies who make cheap knock-off parts overseas will use the bill to initiate lawsuits to force auto manufacturers to reveal intellectual property that has nothing to do with repairing vehicles.

Auto manufacturers invest heavily in research and development. They have the right to benefit from these investments which result in intellectual property that is essential to the business model of both vehicle manufacturers and parts suppliers. The disclosure of these trade secrets will in many instances allow the reverse engineering and otherwise illegal copycat manufacturing of parts; and for the integration of advanced components that were developed at a cost of many billions of dollars.

This will inevitably advance the trend of American companies eliminating and outsourcing good jobs upon which many Connecticut residents depend.

Supporters of this legislation will also have you believe that it will help independent repair businesses – this is simply not true. In fact, the Automotive Service Association (ASA) and New England Service Station & Automotive Repair Association (NESSARA) do not support this legislation. They represent thousands of independent repair shops who fix thousands of vehicles every day. Passage of this bill will lead to expensive and lengthy litigation that will put new government burdens on a system for delivering repair information that is already working.

The supporters also want you to believe that the automobile manufacturers and dealerships are hoarding necessary repair data and forcing all repair shops not affiliated with an auto manufacturer to send business to the dealerships. This is misleading and ignores the fact that over 70% of post-warranty repairs are performed by independents. By investing in the right tools and training, any independent service station can complete the same repairs as do dealerships.

So why does the UAW care? Because American automobile and auto parts manufacturers will not be able to compete when this legislation allows companies to undercut their prices with cheap labor costs. This is a scenario seen far too often in our country and in this state. We must stop the trend now by opposing this bill.

The UAW understands the importance of automobile workers getting paid adequately for their skills and knowledge. This proposed legislation is a slap in the face to their expertise and hard-earned reputation and knowledge in this field.